

State Transportation Commission

January 31, 2008

Director Kirk T. Steudle, P.E. Michigan Department of Transportation

Overview

- State Economic Stimulus Package
- Goal Re-Definition & Measurement for Roadways (GRAMR)
- Construction Quality Partnership (CQP)
- Transportation Funding Task Force
- SAFETEA-LU National Surface Transportation Policy and Revenue Study Commission

State Economic Stimulus Package

State Economic Stimulus Package

- \$150 million road and bridge preservation program
- Advance approximately 25 projects from 2009 to 2008
- Create about 2,100 jobs



Program Funding

- Up to \$150 million bonds
- Economic times are very favorable
 - Historically low interest rates
- Will increase our debt service by \$14.2 million annually

Design/Build/Finance Pilot Projects

- Innovative contracting method
- Used by other states
 - Florida
 - Missouri
- Accelerated project delivery and use of private sector funding





Goal Re-Definition & Measurement for Roadways (GRAMR) **Performance Measures**

Interim Objectives

- Internal team used MI Transportation Plan to develop interim objectives that were:
 - Relevant to MI Transportation Plan goals
 - Meaningful
 - Recognizable
 - Measurable
 - With readily available data
- An initial set of measures
- To be expanded in time



Stewardship: Freight Rail

- Maintain MDOT track condition on 3 stateowned lines for speeds of at least 25 mph
- Maintain MDOT track conditions on 4th state-owned line to allow at least 25 mph for at least 90% of track



Next Steps

- Work with STC to prioritize objectives
- Work with STC to formalize measures
- Follow up with measurement of these objectives
- Continue to identify additional objectives



Construction Quality Partnership

Michigan's CQP History

- 2004 Industry Proposal
- Training and Certification Focus
- "Partnering Plus"



Michigan Construction Quality Partnership for Transportation CHARTER this charger enablishes a course for the command improvement or the state a transportation system in the 21st century. Michigan's highlysy network is an expental element of our times system in the grst ventury. Attempts a ingriting increase is an external venture set on françoitation inflavracture and its quality is critical to cor economic growth and our ability to This charter is intended to future the requirements of the contourer by providing a shrable, this coarier is microaca to naturi me requirements of the symmetry by providing a someone, amount, safe, acubetically releasing, environmentally sensitive efficient, and economical highway system, integrated with other modes of transportation Public agencies and their partners must work ingether to deliver the highest possible quality in Protest agreement and then patterns must seem injecture an univers me injected paramon quanty in contraction project. This includes continuous improvement of all facets of project development. To achieve this goal, the following objectives are established Identify training needs for current and future personnel; Develop and implement the training programs: Establish and implement appropriate certification for project development. construction operations, administration and inspection personnel. Fstablish and implement appropriate certification for contractors and consultants The successful implementation of this initiative requires a close partnership between The successful implementation of this initiative requires a kine partnership between all stakeholders, therefore, the undersigned organizations have cooperatively developed this initiative and will strive to fulfill its goals and objectives. In winess whereof, it is scaled and signed in Lansing, Michigan this 27th day of Land 2006. Use a 17 (1986)

Achievements – Training

- Six Projects with mandatory training in 2007
 - MDOT and Contractor joint training
- Four Focus Areas of Training
 - Traffic Control
 - Erosion Control
 - Quality Control
 - Technical Training



Achievements

Tier One Accreditation

Michigan Construction Quality Partnership Awards





Next Steps

Third Party Administrator

Industry and Statewide Implementation

Transportation Funding Task Force

Summary of PA 221 of 2007

Public Act 221 of 2007

Creates Task Force to "review the adequacy of surface transportation and aeronautics service provision and finance" in Michigan

- Applies to roads, transit, & aviation
- Supported by MDOT staff
- Assisted by Citizens' Advisory Committee



Task Force

To be established by February 1, 2008

- 9 citizens, representing 8 economic sectors appointed by Governor, with advice and consent of Senate
 - Manufacturing
 - Commerce
 - Agriculture
 - Tourism

- Labor
- Transportation
- Public Transit
- Aviation
- Majority and minority leader of Senate, or designees
- Speaker and minority leader of House, or designees
- May not include employees of MDOT, a county, county road commission, village, city, or township

Citizens' Advisory Committee

- Governor-appointed 19-person committee
 - 18 organizations, agencies, and associations in transportation and construction sector
 - Michigan Farm Bureau
 - Michigan Trucking Association
 - Michigan Association of Counties
 - Michigan Townships Association
 - Michigan State Chamber of Commerce
 - Michigan Tourist Association
 - County Road Association of Michigan
 - Michigan Municipal League
 - Michigan Public Transit Association

Citizens' Advisory Committee

19 Person committee (Continued)

- Asphalt Paving Association of Michigan
- Michigan Concrete Paving Association
- Michigan Infrastructure and Transportation Association
- Michigan Railroads Association
- American Council of Engineering Companies
- Michigan Building and Construction Trades Council
- Michigan Association of Airport Executives
- Michigan Business Aviation Association
- State Transportation Department
- 1 member of general public

Task Force Primary Focus

- Examine alternatives to fuel tax
 - Analyze feasibility
 - Suggest or recommend alternative user fees or nonuser taxes
- May recommend "implementation of pilot programs to test feasible alternatives" to fuel tax
 - Preliminary recommendations due October 31, 2008



Calendar of Events

- February 1, 2008
 - Governor names private-citizen members of Task Force
 - Legislative leaders name legislator members
- March 1, 2008
 - MDOT recommends work program to Task Force
- October 31, 2008
 - Task Force publishes preliminary data, findings, & recommendations
 - Task Force makes preliminary recommendations on pilot programs

SAFETEA-LU
National Surface
Transportation Policy
and Revenue Study
Commission

National Study Commission

- Created in SAFETEA-LU
 - Charged with forecasting surface transportation system necessary to support our economy 50 years from now – and recommend a plan for getting there
- Met 22 times over 22 months
- Heard from nearly 300 witnesses
- Final report supported by 9 of 12 commission members

Significant Findings

- Congestion takes a heavy economic toll
- Population expected to increase by 120 million over next 50 years
- Freight volumes will be 70% higher in 2020
- Need to invest \$225 to \$338 billion each year for next 50 years



Major Themes

- Federal Government needs to be a full partner with states
 - Focus on core activities
 - Shorten project delivery process
- Far greater investment needed at all levels of government and from private sector
- Federal programs need complete overhaul
 - Focus on congestion and freight







Federal Program Reforms

- Number of federal program reduced from 108 to only 10
 - National asset management program, freight capacity, reduce congestion, safety, access to rural areas, intercity passenger rail, environment, energy, federal lands, and research, development and technology program
- Create a National Surface Transportation
 Commission
- Reform project delivery process

Financing Recommendation

- Short-term
 - Keep HTF solvent through SAFETEA-LU
- Mid-term
 - 25 to 40 cent increase in fuel taxes / indexing
 - Transit and intercity passenger rail ticket tax
 - Freight fee, diversion of customs fees
 - Tolling, congestion pricing, PPPs
- Long-term
 - Transition to VMT tax or other similar tax



ROAD CONSTRUCTION WORKFORCE DEVELOPMENT PROGRAM

Overview

Vision

Mission

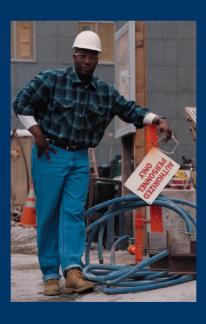
Goals

Strategies

Vision

A sustained road construction workforce of diverse, trained and certified individuals.







Mission

To equip a diverse pool of Michigan residents with skills for sustainable employment in the road construction industry.

Statewide Partnership Committee

Mission:

To identify, leverage and maximize state, federal and local resources to create a sustainable process for supplying a qualified, diverse pool of highway construction workers.

Goals

- Identify Key Issues
- Develop Policies and Strategies
- Develop Pre-apprenticeship & Apprenticeship Training Programs

 Develop Regional Blueprint for Collaboration and Cooperation

Strategies

- Increase OJT opportunities on road construction projects
- Identify for local participation
- Develop mechanism to meet workforce and training needs through private-public partnerships
- Establish statewide resource directory
- Develop marketing campaign to promote the RCWD initiative
- Promote road construction as career choice
- Identify educational attainment needs and solutions
- Strengthen collaboration between workforce development and educational system
- Establish apprenticeship readiness program

RCAR

- Road
- Construction
- Apprenticeship
- Readiness

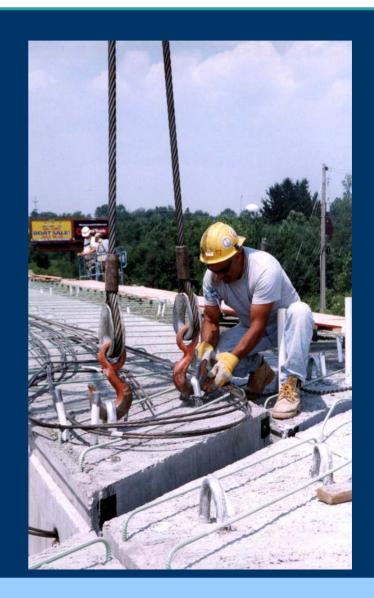
RCAR

- Testing
- Training
- Stipends
- Follow-up and Retention
- Support Services
- Certification



RCAR

- Administration
- Eligibility
- Budget



Questions